State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Inspection Report

Permit Number:	C0410002
Inspection Type:	PARTIAL
Inspection Date:	Tuesday, October 25, 2005
Start Date/Time:	10/25/2005 9:22:00 AM
End Date/Time:	10/25/2005 1:30:00 PM
Last Inspection:	Wednesday, September 07, 2005

Inspector: Pete Hess, Environmental Scientist III

Weather: Clear, cool; 40's F.

InspectionID Report Number: 771

Accepted by: whedberg
11/8/2005

Representatives Present During the Inspection:	
Company	John Byars Manager of Technical Services
OGM	Pete Hess Environmental Scientist III
Company	Mike Davis

Permitee: **CANYON FUEL COMPANY LLC**
Operator: **CANYON FUEL COMPANY LLC**
Site: **SUFCO MINE**
Address: **397 S 800 W, SALINA UT 84654**
County: **SEVIER**
Permit Type: **PERMANENT COAL PROGRAM**
Permit Status: **ACTIVE**

Current Acreages

24,632.95	**Total Permitted**
27.36	**Total Disturbed**
	Phase I
	Phase II
	Phase III

Mineral Ownership

- [x] **Federal**
- [x] **State**
- [ ] **County**
- [ ] **Fee**
- [ ] **Other**

Types of Operations

- [x] **Underground**
- [ ] **Surface**
- [ ] **Loadout**
- [ ] **Processing**
- [ ] **Reprocessing**

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

-On October 5, 2005, water containing what appeared to be coal fines was observed in Quitchupah Creek, which is the natural drainage to which mine water from the SUFCO UPDES outfall 003A reports. The Utah DWQ reported this sediment release to Mr. Ken May, General Manager of the SUFCO Mine. The Permittee was unaware that any release of sediment had occurred from the 003A Quitchupah portals mine water discharge point. If the sediment came from the SUFCO Mine, the Permittee believes that a worked out area of the Mine which has been used as a settling basin is the cause. The area was pillared, and subsequently a cave of mine roof may have thrown a large volume of sediment into suspension here. The area is behind mine seals, and thus is not capable of being inspected. The sediment which was observed in Quitchupah Creek was observed at a location which is well outside of the mine's disturbed area perimeter, as well as the permit boundary. The investigation of this incident remains pending.
-There are no compliance actions currently pending for the SUFCO Mine permit area.
-The Permittee continues to meet the Special Permit Condition which is included as Attachment "A" of the current State permit by submitting quarterly surface and ground water monitoring information in an electronic form to the Division EDI.

Inspector's Signature /S/ **Date** Friday, October 28, 2005

Pete Hess, Environmental Scientist III
Inspector ID Number: 46

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. *Substantiate the elements on this inspection by checking the appropriate performance standard.*
   a. *For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.*
   b. *For PARTIAL inspections check only the elements evaluated.*
2. *Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.*
3. *Reference any narratives written in conjunction with this inspection at the appropriate performace standard listed below.*
4. *Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.*

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	☐	☐	☐	☐
2. Signs and Markers	☑	☐	☐	☐
3. Topsoil	☐	☐	☐	☐
4.a Hydrologic Balance: Diversions	☑	☐	☐	☐
4.b Hydrologic Balance: Sediment Ponds and Impoundments	☐	☐	☐	☐
4.c Hydrologic Balance: Other Sediment Control Measures	☑	☐	☑	☐
4.d Hydrologic Balance: Water Monitoring	☐	☐	☐	☐
4.e Hydrologic Balance: Effluent Limitations	☑	☐	☑	☐
5. Explosives	☐	☐	☐	☐
6. Disposal of Excess Spoil, Fills, Benches	☐	☐	☐	☐
7. Coal Mine Waste, Refuse Piles, Impoundments	☑	☐	☑	☐
8. Noncoal Waste	☑	☐	☐	☐
9. Protection of Fish, Wildlife and Related Environmental Issues	☑	☐	☑	☐
10. Slides and Other Damage	☑	☐	☑	☐
11. Contemporaneous Reclamation	☐	☐	☐	☐
12. Backfilling And Grading	☐	☐	☐	☐
13. Revegetation	☑	☐	☑	☐
14. Subsidence Control	☐	☐	☐	☐
15. Cessation of Operations	☐	☑	☐	☐
16.a Roads: Construction, Maintenance, Surfacing	☑	☐	☐	☐
16.b Roads: Drainage Controls	☐	☐	☐	☐
17. Other Transportation Facilities	☑	☐	☐	☐
18. Support Facilities, Utility Installations	☐	☐	☐	☐
19. AVS Check	☐	☐	☐	☐
20. Air Quality Permit	☑	☐	☐	☐
21. Bonding and Insurance	☐	☐	☐	☐
22. Other	☑	☐	☑	☐

4.c Hydrologic Balance: Other Sediment Control Measures

Mr. John Byers, Manager of Technical Services, explained to the Division representative the plans which are being evaluated to prevent occurrences similar to the one which occurred on October 5, 2005. These include a plumbing change which will bypass the settling area where the slug of sediment was believed to be generated, establishing a new settling area, and installing turbidity meters on the discharge lines. The turbidity meters will be installed to de-energize power to the Mine's pumps, should a slug of sediment be intercepted by the meter. This will prevent discharging the sediment to the surface. What process will be used to "dump" a sediment slug before it can reach the surface remains to be determined. These measures are relative to R645-301-742.126.

4.e Hydrologic Balance: Effluent Limitations

The levels of TDS and TSS which existed in the water samples taken by DWQ on October 5, 2005 have, to date, not been received.

7. Coal Mine Waste, Refuse Piles, Impoundments

The sediment pond at the waste rock site contained water. The site conditions for the disposal area appear to be virtually unchanged from the previous month.

9. Protection of Fish, Wildlife and Related Environmental Issues

An evaluation of any impact to the North Fork of Quitchupah Creek is pending. There is no information available relative to baseline information for macro-invertebrates in that channel.

10. Slides and Other Damage

The Permittee is in the process of backfilling the area of the cave over the East Spring Canyon intake portal. Approximately 20,000 yards of earth material were extracted from this area, after the electrical substation was dismantled. Approximately seventy feet of new tunnel liner has been installed from the inby edge of the concrete portal header to stable ground inby the caved area.

13. Revegetation

The area which is being backfilled above the East Spring Canyon intake portal will be revegetated using the seed mix approved in the current mining and reclamation plan.

22. Other

The response which the SUFCO management has made to address the possible discharge of sediment from the Quitchupah portals 003A outfall has been exemplary. Precautions which are being evaluated for implementation will prevent the possibility of this coming from the mine water discharge point.